

Steven J. Kahn (CA Bar No. 76933)  
Gail S. Greenwood (CA Bar No. 169939)  
PACHULSKI STANG ZIEHL & JONES LLP  
10100 Santa Monica Blvd., 13th Floor  
Los Angeles, California 90067  
Telephone: 310/277-6910  
Facsimile: 310/201-0760  
E-mail: skahn@pszjlaw.com  
ggreenwood@pszjlaw.com

Co-Counsel to Chapter 11 Debtors and  
Debtors In Possession

**UNITED STATES BANKRUPTCY COURT**  
**CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION**

In re

VERITY HEALTH SYSTEM OF CALIFORNIA,  
INC., *et al.*,

Debtors and Debtors In Possession.

- ☐ Affects All Debtors
- ☐ Affects Verity Health System of California, Inc.
- ☒ Affects O'Connor Hospital
- ☒ Affects Saint Louise Regional Hospital
- ☐ Affects St. Francis Medical Center
- ☒ Affects St. Vincent Medical Center
- ☒ Affects Seton Medical Center
- ☐ Affects O'Connor Hospital Foundation
- ☐ Affects Saint Louise Regional Hospital Foundation
- ☐ Affects St. Francis Medical Center of Lynwood Foundation
- ☐ Affects St. Vincent Foundation
- ☐ Affects St. Vincent Dialysis Center, Inc.
- ☐ Affects Seton Medical Center Foundation
- ☐ Affects Verity Business Services
- ☐ Affects Verity Medical Foundation
- ☐ Affects Verity Holdings, LLC
- ☐ Affects De Paul Ventures, LLC
- ☐ Affects De Paul Ventures - San Jose Dialysis, LLC

Lead Case No. 2:18-bk-20151-ER

Jointly administered with:  
Case No. 2:18-bk-20162-ER;  
Case No. 2:18-bk-20163-ER;  
Case No. 2:18-bk-20164-ER;  
Case No. 2:18-bk-20165-ER;  
Case No. 2:18-bk-20167-ER;  
Case No. 2:18-bk-20168-ER;  
Case No. 2:18-bk-20169-ER;  
Case No. 2:18-bk-20171-ER;  
Case No. 2:18-bk-20172-ER;  
Case No. 2:18-bk-20173-ER;  
Case No. 2:18-bk-20175-ER;  
Case No. 2:18-bk-20176-ER;  
Case No. 2:18-bk-20178-ER;  
Case No. 2:18-bk-20179-ER;  
Case No. 2:18-bk-20180-ER;  
Case No. 2:18-bk-20181-ER;

Chapter 11 Cases

Hon. Ernest M. Robles

Adversary No. \_\_\_\_\_

**NOTICE OF REQUIRED  
COMPLIANCE WITH LOCAL  
BANKRUPTCY RULE 7026-1**

1 ST. VINCENT MEDICAL CENTER, a California  
2 nonprofit public benefit corporation, SETON  
3 MEDICAL CENTER, a California nonprofit  
4 public benefit corporation, O'CONNOR  
5 HOSPITAL, a California nonprofit public benefit  
6 corporation, and SAINT LOUISE REGIONAL  
7 HOSPITAL, a California nonprofit public benefit  
8 corporation,

9 Plaintiffs,

10 v.

11 CALIFORNIA PHYSICIANS' SERVICE dba  
12 BLUE SHIELD OF CALIFORNIA, a California  
13 nonprofit public benefit corporation,

14 Defendant.

15 Plaintiffs hereby provide this notice of the requirement of Local Bankruptcy Rule  
16 7026-1 ("LBR 7026-1") and Federal Rule of Bankruptcy Procedure 7026 (collectively, the  
17 "Rules") that the parties must meet and confer as required by and for the purposes set forth in  
18 those Rules. The text of LBR 7026-1 is attached hereto as **Exhibit A**.

19 Dated: August 28, 2020

PACHULSKI STANG ZIEHL & JONES LLP

20 /s/ Steven J. Kahn

21 Steven J. Kahn

22 Co-Counsel to Chapter 11 Debtors and  
23 Debtors In Possession

# EXHIBIT A

PACHULSKI STANG ZIEHL & JONES LLP  
ATTORNEYS AT LAW  
LOS ANGELES, CALIFORNIA

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

EXHIBIT A

**NOTICE OF REQUIRED COMPLIANCE UNDER LBR 7026-1  
AND FEDERAL RULE OF BANKRUPTCY PROCEDURE**

**LBR 7026-1. DISCOVERY**

(a) **General.** Compliance with FRBP 7026 and this rule is required in all adversary proceedings.

(1) **Notice.** The plaintiff must serve with the summons and complaint a notice that compliance with FRBP 7026 and this rule is required.

(2) **Proof of Service.** The plaintiff must file a proof of service of this notice together with the proof of service of the summons and complaint.

(b) **Discovery Conference and Disclosures.**

(1) **Conference of Parties.** Unless all defendants default, the parties must conduct the meeting and exchange the information required by FRBP 7026 within the time limits set forth therein. Unless otherwise ordered, the initial status conference constitutes the “scheduling conference” referred to in FRCP 26(f)(1) (incorporated by FRBP 7026).

(2) **Joint Status Report.** Within 7 days after such meeting, the parties must prepare a joint status report containing the information set forth in LBR 7016-1(a)(2). The joint status report will serve as the written report of the meeting required by FRBP 7026.

(c) **Failure to Make Disclosures or Cooperate in Discovery.**

(1) **General.** Unless excused from complying with this rule by order of the court for good cause shown, a party must seek to resolve any dispute arising under FRBP 7026-7037 or FRBP 2004 in accordance with this rule.

(2) **Meeting of Parties.** Prior to the filing of any motion relating to discovery, the parties must meet in person or by telephone in a good faith effort to resolve a discovery dispute. It is the responsibility of the moving party to arrange the conference. Unless altered by agreement of the parties or by order of the court for cause shown, the opposing party must meet with the moving party within 7 days of service upon the opposing party of a letter requesting such meeting and specifying the terms of the discovery order to be sought.

(3) **Moving Papers.** If the parties are unable to resolve the dispute, the party seeking discovery must file and serve a notice of motion together with a written stipulation by the parties.

(A) The stipulation must be contained in 1 document and must identify, separately and with particularity, each disputed issue that remains to be determined at the hearing and the contentions and points and authorities of each party as to each issue.

(B) The stipulation must not simply refer the court to the document containing the discovery request forming the basis of the dispute. For example, if the sufficiency of an answer to an interrogatory is in issue, the stipulation must contain, verbatim, both the interrogatory and the allegedly insufficient answer, followed by each party's contentions, separately stated.

(C) In the absence of such stipulation or a declaration of a party of noncooperation by the opposing party, the court will not consider the discovery motion.

(4) Cooperation of Parties; Sanctions. The failure of any party either to cooperate in this procedure, to attend the meeting of parties, or to provide the moving party the information necessary to prepare the stipulation required by this rule within 7 days of the meeting of parties will result in the imposition of sanctions, including the sanctions authorized by FRBP 7037 and LBR 9011-3.

(5) Contempt. LBR 9020-1 governing contempt proceedings applies to a discovery motion to compel a non-party to comply with a deposition subpoena for testimony and/or documents under FRBP 7030 and 7034.